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1           OFFICIAL TRANSCRIPT - PUBLIC HEARING ANCHORAGE

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3                   MINERALS MANAGEMENT OFFICE

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5                           January 16, 2003

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7           DRAFT ENVIRONMENTAL IMPACT STATEMENT

8                   FOR COOK INLET PLANNING AREA

9                   OIL AND GAS LEASE SALES 191 AND 199

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1 P R O C E E D I N G S

2 (Anchorage, Alaska - 1/16/2003)

3 HEARING OFFICER WALL: Welcome everybody.

4 This is a public hearing for the Cook Inlet Draft  
5 Environmental Impact Statement for multiples sales. I'm  
6 Rance Wall. I'm the regional supervisor for resource  
7 evaluation. This is Jim Lima, and he's in the  
8 environmental section and he's the lead on the  
9 development of this EIS. This is Salena Hile and she's  
10 the court reporter that's going to try to keep everything  
11 on the transcript here. There's some other people in MMS  
12 around but basically that's the people that'll be  
13 addressing today.

14 We're here to hear what the public has to  
15 say about the Draft Environmental Impact statement and  
16 for Lease Sale 191 and 199 in Cook Inlet. It's proposed  
17 sales are in 2004 and 2006. The comments we receive  
18 today will be used by the Secretary of the Interior in  
19 making decisions regarding the lease sales. The area,  
20 there's some maps, I think there's another one out there,  
21 the maps basically show the Cook Inlet area that we're  
22 considering. It's south of Kalgin Island, first it's  
23 three miles off, three miles off and further is Federal,  
24 it's north of Shuyak Island. We've had three sales there  
25 before in 1979, '82 and '97. Had 102 leases with 13

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1 exploration wells drilled. The only active leases of the  
2 ones remaining from the 1997 lease sale which are in the  
3 northern part of the planning area.

4 We prepared this document as part of what  
5 was approved in our five year plan that the Secretary  
6 approved last June, and in that it was proposed the same  
7 area be offered in both of our lease sales and that's the  
8 ones I referred to before in 191 and 199. We're  
9 preparing just one document that covers both sales, which  
10 we believe is prudent and encouraged under the National  
11 Environmental Policy Act. The decision that the  
12 Secretary must make at this point is whether to hold the  
13 first sale in 2004.

14 There will be a separate process with  
15 public input and an environmental analysis conducted to  
16 determine if a supplemental EIS is needed for the second  
17 sale that's scheduled for 2006.

18 In addition to this public hearing, we're  
19 going to have four other public hearings. One in  
20 Seldovia, Homer, Soldotna/Kenai, and a telephone. The  
21 public comment period closes on Tuesday, February 11th.

22 Now, if you're going to testify we'd ask  
23 that you come up to the microphone and that come up and  
24 state you're name and if you represent some entity, let  
25 us know who that is and that way we can make sure we get

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1 it in the public record. If you want to ask even a  
2 simple question you need to make sure that we can hear it  
3 and that she can hear it and know how to put that in the  
4 record. So usually it's easier just to come up here even  
5 for a simple question. So if you have any questions or  
6 anything, we'll do our best to reply on general questions  
7 but any of the questions that are posed here will be  
8 answered. Everything will appear in the final  
9 Environmental Impact Statement with answers to the  
10 questions, replies to them.

11 We're going to go in order by the way  
12 people signed up. And right now it doesn't seem like  
13 there's that many people so we can allow 15 minutes at  
14 this point unless a lot of other people come in and we  
15 have to cut it shorter because of the number of people.  
16 So with that, anything?

17 MR. LIMA: Just one other thing, it's  
18 come to our attention that in the media there has been a  
19 wrong date published in some of the media regarding the  
20 hearing in Kenai/Soldotna. In the Federal Register  
21 notice it was originally published as January 24th, which  
22 is a Friday night, that meeting in Kenai/Soldotna has  
23 been moved to January 25th, Saturday. It will be from  
24 11:00 a.m. to 1:00 p.m., at the Kenai Merit Inn. Other  
25 than that the schedule of public hearings is as it was

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1 published in the Federal Register and as put out in the  
2 sheets that we mailed with EIS's executive summaries.

3 HEARING OFFICER WALL: Okay. The first  
4 person we have signed up is Lois Epstein.

5 MS. EPSTEIN: Thank you. Thank you for  
6 offering the Anchorage public this opportunity to provide  
7 comments on the Draft Environmental Impact Statement for  
8 the Cook Inlet planning area also known as Oil and Gas  
9 Lease Sales 191 and 199. My name is Lois Epstein and I  
10 am a licensed senior engineer with Cook Inlet Keeper in  
11 our Anchorage office.

12 Cook Inlet Keeper is a non-profit  
13 environmental research and advocacy organization who's  
14 mission is to protect the Cook Inlet water shed and the  
15 life it sustains. Prior to my joining Keeper, I was a  
16 senior engineer for over 13 years with Environmental  
17 Defense, a national Environmental advocacy organization  
18 with approximately 300,000 members nationwide. My  
19 background is in both mechanical and civil engineering  
20 and I have worked in environmental issues for over 18  
21 years in the private sector, in the Federal government  
22 and for the two non-profits I mentioned.

23 Currently I serve on the U.S. Department  
24 of Transportation Office of Pipeline Safety Federal  
25 Advisory Committee for Hazardous Liquid or Oil Pipelines.

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1 Cook Inlet Keeper will submit more extensive comments in  
2 writing on the Draft-EIS before the comment deadline.

3 My comments fall into four categories.

4 1. Draft-EIS analytical deficiencies.

5 2. Needed stipulations and withdrawal  
6 areas.

7 3. Major process concerns.

8 4. Miscellaneous comments about  
9 pipelines, mercury contamination and air quality  
10 monitoring needs.

11 Analytical deficiencies. First, unlike  
12 it's predecessor EIS for Oil and Gas Lease Sale 149, the  
13 Draft-EIS does not analyze the impacts should greater  
14 quantities of oil and gas be discovered than the expected  
15 140 million barrels and the 190 billion cubic feet of  
16 natural gas, or should the exploration and development  
17 scenario exceed the conservative single platform scenario  
18 predicted by MMS. This is a substantial deficiency of  
19 the Draft-EIS that likely only can be remedied by  
20 developing a supplemental EIS before proceeding with any  
21 drilling beyond a single offshore platform.

22 Section 4(b)(2) on the no action  
23 alternative does not contain any analysis of the  
24 possibility of utilizing renewable energy alternatives  
25 for Southcentral Alaska, such as tidal and wind power.

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1 And I note that we're among the places in the country  
2 that has the greatest potential for both of those sources  
3 of renewable energy.

4                   Section 4(b)(2) dismisses these  
5 reasonable and cleaner alternatives to oil and natural  
6 gas stating that, "costs and reliabilities of these  
7 alternative sources make them less viable than oil and  
8 gas resources." MMS bases this conclusion on a 43 page  
9 report written in 1996, however, which contains only one  
10 page on wind power, one paragraph on tidal power and no  
11 region-specific analysis. Moreover, the Draft-EIS makes  
12 no mention and performs no analysis on the reduced risk  
13 from terrorism through increasing our reliance on  
14 decentralized smaller scale renewable power generation  
15 rather than utilizing centralized fossil fuel extraction,  
16 transport and storage infrastructure.

17                   Needed stipulations and withdrawal areas.  
18 According to Section 2(b)(3)(b)(2), which addresses oil  
19 and gas production, "drilling fluid wastes will be  
20 reinjected. Muds and cuttings will be processed and  
21 injected into wells or barged to onshore disposal sites."  
22 If true, this would be the most environmentally friendly  
23 way to manage drilling fluids and waste which contain  
24 toxic constituents such as heavy metals, hydrocarbons and  
25 various toxic drilling additives. Unfortunately, there

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1 are no U.S. Environmental Protection Agency requirements  
2 that ensure such management. So without a stipulation of  
3 its own placed on lessees, predicting such management of  
4 production waste is fanciful on MMS's part. MMS has  
5 broad authorities and responsibilities under the Outer  
6 Continental Shelf Lands Act to oversee and manage oil and  
7 gas activities on the Outer Continental Shelf and  
8 deferring to another agency in an area where MMS already  
9 has authority to act simply adds uncertainty to the  
10 permitting process.

11                   Industry repeatedly has called for  
12 increased predictability and permit streamlining in oil  
13 and gas exploration and development so it makes little  
14 sense to promote contentious permitting proceedings with  
15 EPA when the issue can be addressed through an MMS lease  
16 stipulation.

17                   As for exploration fluids and waste as  
18 opposed to production fluids and waste, MMS acknowledges  
19 that EPA allows disposal of these materials into the  
20 marine environment. MMS also needs to stipulations that  
21 lessees must reinject exploration fluids and waste or  
22 barge them to onshore disposal sites. Discharges of  
23 toxic drilling fluids and waste are an ongoing concern to  
24 subsistence users of Cook Inlet's resources as well as to  
25 commercial and sportfishers.



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1                   While MMS is considering withdrawing from  
2 its leasing proposal, certain areas with little oil and  
3 gas development potential near the southern portion of  
4 the Kenai Peninsula, Cook Inlet Keeper advocates  
5 designating several additional environmentally sensitive  
6 areas as no-rig zones, including Kennedy and Stevenson  
7 entrances, Tuxedni Bay, Kamishak Bay, which includes the  
8 mouth of the McNeil River and commercial scallop beds and  
9 the coast of Katmai and Lake Clark National Parks.  
10 Keeper supports the withdrawal of the areas contained in  
11 Alternatives 3 and 4 and urges MMS to initiate a credible  
12 process to identify additional environmentally sensitive  
13 areas, especially public lands which require similar  
14 protection.

15                   Process concerns. Cook Inlet Keeper is  
16 greatly concerned that MMS and the Federal government, in  
17 general, are unlikely to be responsive to local community  
18 desires with respect to that lease sale. During a  
19 morning radio talk show on January 15, 2003, yesterday, a  
20 questioner asked MMS's John Goll, what level of  
21 opposition would it take for the agency to withdraw the  
22 lease sales. Mr. Goll replied it would require receipt  
23 by MMS of scientific and/or economic information that is  
24 contrary to that contained in MMS Draft-EIS analysis, not  
25 the opposition of nearby communities such as Homer, Port

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1 Graham and Nanwalek. While contrary information and  
2 identification of Draft-EIS deficiencies is certainly  
3 important, so too is widespread community opposition.  
4 MMS needs to take such opposition into account prior to  
5 announcing its decision on these sales.

6                   Furthermore, MMS appears to have  
7 abrogated its responsibilities under Executive Order  
8 13084, which calls on Federal agencies to engage in  
9 meaningful and timely government to government  
10 consultation with Federally-recognized Native tribes,  
11 potentially affected by Agency actions. Despite the fact  
12 that Draft-EIS concedes that subsistence resources and  
13 uses throughout Cook Inlet may be affected by oil and gas  
14 activities in lower Cook Inlet, it has failed to consult  
15 with various tribal governments including those of the  
16 Ninilchik, Kenaitze, Eklutna and Chickaloon tribes. As a  
17 result a variety of subsistence users have been  
18 affectively precluded from meaningful and timely input  
19 into the lease sale process.

20                   And finally some comments about  
21 pipelines, mercury and air quality. The Draft-EIS also  
22 is insufficient, in that, it fails to analyze the impacts  
23 of the onshore oil pipeline that would need to be built  
24 to transport lower Cook Inlet oil to the Nikiski  
25 refinery. As discussed in Cook Inlet Keeper's recent

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1 pipeline report, Lurking Below Oil and Gas Pipeline  
2 Problems in the Cook Inlet Water Shed, which is cited in  
3 the Draft-EIS, there are numerous gaps and deficiencies  
4 in Federal and State regulatory oversight of pipelines  
5 which inevitably results in unnecessarily high spill  
6 rates. The problems need to be acknowledged in the EIS  
7 and the likely spill rate for the onshore pipeline  
8 determined as well as spill consequences. As a separate  
9 action MMS also should recommend changes to Federal and  
10 State requirements to address the gaps and deficiencies  
11 in their respective land based pipeline regulations.  
12 Such an action would give MMS more credibility with the  
13 public rather than merely saying that those regulatory  
14 problems are not under its jurisdiction.

15                   The EIS also needs to include an  
16 extensive discussion on the connection between mercury  
17 offshore drilling and nearby biota. This issue was  
18 recognized by MMS last spring when it formed an  
19 independent advisory group to review data on mercury  
20 levels in water and sediments and their relationship to  
21 oil and gas activities in the Gulf of Mexico. The final  
22 EIS needs to discuss the implications of this groups work  
23 for Alaska.

24                   Additionally, Keeper urges MMS to  
25 research whether mercury from offshore oil and gas

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1 activities in Alaska is or is likely to impact nearby  
2 biota.

3                   In the Draft-EIS MMS includes limited  
4 information on air quality partly because there has been  
5 very little air quality monitoring in Alaska in general.  
6 Keeper believes there is a need for more extensive air  
7 quality monitoring in the parts of Cook Inlet affected by  
8 industrial activities and in Anchorage. We note that in  
9 analysis performed for Cook Inlet's Redoubt shoals field  
10 using 1993 to '94 data, the only data available, ozone  
11 levels were at nearly one-half the national ambient air  
12 quality standard when measured near Beluga on the west  
13 side of Cook Inlet. Given the remoteness of this  
14 location from industrial and transportation sources of  
15 air pollution and the age of the data, there clearly is a  
16 need for additional air quality monitoring information,  
17 particularly of ozone levels before MMS can certify that  
18 these lease sales will not significantly impact air  
19 quality.

20                   Moreover, given that Tuxedni National  
21 Wildlife Refuge is designated as a National Wilderness  
22 area which gives it a PSD Class I classification under  
23 the Clean Air Act, and that's the most restrictive  
24 classification with tighter ambient and visibility  
25 standards than in other places, it is particular

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1 important that MMS or another governmental entity  
2 undertake air quality monitoring in the area around  
3 Tuxedni Bay.

4 In conclusion, Keeper has concerns about  
5 the lack of analysis in the Draft-EIS of the impacts of a  
6 more extensive oil and gas find, the lack of a regional  
7 analysis of tidal and wind power generation opportunities  
8 as part of the no-action alternative, the lack of lease  
9 stipulations covering zero discharge for exploration and  
10 production and MMS's including areas in the lease sale  
11 that can impact several highly environmentally sensitive  
12 locations. Until MMS addresses these and other issues  
13 raised in these comments, no leasing should occur in  
14 lower Cook Inlet.

15 Thank you for the opportunity to comment  
16 on these important issues. Keeper hopes that, as our  
17 nation prepares for a potential war partly related to our  
18 use of Mideast oil, MMS will take a principal stand to  
19 promote long-term clean energy supplies for Alaska and  
20 the rest of the United States.

21 HEARING OFFICER WALL: Thanks. Next we  
22 have Pamela A. Miller.

23 MS. MILLER: Yeah, there's no one who  
24 came in before me?

25 MR. LIMA: No one who's signed up to

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1 testify.

2 MS. MILLER: Okay. Well, my name is  
3 Pamela A. Miller. I'm representing myself. I'm pleased  
4 to comment on this series of lease sales for the Cook  
5 Inlet. It's just one of many Interior Department actions  
6 having to do with oil and gas lease sales in Alaska. It  
7 begins a process that adds to 20 million acres of land  
8 and waters that will be leased by the Interior Department  
9 under plans that currently under consideration. Up to  
10 nine million acres more tomorrow will be announced for  
11 the Western Arctic in the National Petroleum Reserve.

12 What I see in common with all these  
13 actions is taking a huge area and not looking very  
14 specifically with what's at stake and how it will be  
15 affected. This is an enormous lease sale for Cook Inlet.  
16 It's much larger than the last lease sale that was held  
17 in this area.

18 What are we talking about here? Four  
19 national wildlife refuges. Alaska Maritime, Kodiak,  
20 Becharof, Alaska Peninsula and it's right next door to  
21 the Kenai refuge. Five national parks surround these  
22 waters and their shorelines could be affected by an oil  
23 spill. Lake Clark, Katmai, Aniakchak, Kenai Fjords.  
24 There's designated wilderness shorelines. McNeil River  
25 State Game Refuge. International Shorebird reserve

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1 network sites. Critical habitat for endangered sea  
2 lions. Habitats used by endangered humpback whales, sea  
3 otters, harbor seals, harbor porpoise, dalls porpoise,  
4 excuse me, sea birds in the hundreds of thousands at the  
5 Barren Islands, at Duck and Chiswell islands. Very  
6 important brown bear habitat. There's essential fish  
7 habitat for herring, polluck, northern rockfish, halibut,  
8 yellow-fin sole, weather bain scallops, Pacific Ocean  
9 sole; those are just the areas of essential fish habitat  
10 right within the lease sale area.

11                   This is a huge potential issue of what  
12 could be affected, not only from oil spills but the  
13 disturbance of wildlife with all the kinds of activities  
14 that are associated with drilling, aircraft, boats,  
15 supplies, hauling around drilling waste, that sort of  
16 thing.

17                   So besides all of what's potentially at  
18 risk, what's the change of an oil spill, one in four, 19  
19 percent. That's pretty big.

20                   This lease sale area includes places  
21 oiled by the Exxon Valdez Oil Spill that are still  
22 recovering. Species injured by the Spill that still  
23 haven't recovered. New scientific studies were announced  
24 just this week saying there's still impacts to sea  
25 otters, harbor seals, harlequin ducks. Many of the

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1 species that we're talking about here.

2                               So what did the Minerals Management  
3 Service do in terms of analyzing the potential impacts  
4 from oil spills? Well, it looked at where the oil might  
5 go in the first 30 days after a spill. Well,  
6 unfortunately we all remember how long the oil from the  
7 Exxon Valdez spill was moving around, it wasn't just 30  
8 days, it was a long time. And where did it go? It  
9 covered a huge area. Well, what would happen in this  
10 area. The Minerals Management Service uses its oil spill  
11 models and they look at little points.

12                           So along the beach of Kodiak Island, they  
13 pick a little part and say what's the chance the oil  
14 might hit that little part or for an area like the Katmai  
15 National Park, it divides the shoreline into three  
16 different parts. What's the chance of oil hitting there?  
17 Well, if I hold out my hand, what's the chance of the oil  
18 hitting just that one, versus hitting the whole hand. If  
19 you look at, does it hit me at all, it's going to be a  
20 higher number.

21                           And then in the document, you look at  
22 these nice pretty colored maps with pretty colored places  
23 oil might hit. Well, what's it going to look like?

24                           We drill right here. We drill right  
25 here. Well, we might not go up there. But it's going to



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1 go all the way down to the floor. I won't destroy your  
2 wall. But we're talking about oil, sticky, gummy,  
3 hydrocarbon, benzine, toxic oil. There's not a diagram  
4 in this document that looks like this. There could be.  
5 They produce them. They used to produce them in the  
6 documents. But that would look messy. And what we're  
7 talking about is a messy business, but the public should  
8 know that.

9                               Finally, I'll talk about the  
10 alternatives. There's basically one alternative and no  
11 action in this EIS. There's a couple little areas you're  
12 willing to carve out, maybe we won't lease around the  
13 Barren Islands, a little, you know, 10 mile area there.  
14 But in the last lease sale there was a northern deferral  
15 alternative. The area that was actually leased was quite  
16 a bit smaller on the order of magnitude of 10 times less  
17 the area, something like that, maybe even more. Those  
18 kinds of alternatives weren't considered. The last time  
19 around, the Minerals Management Service looked at some  
20 species of fish and tried to figure out, well, what might  
21 reduce the impacts, why this matters, what could that  
22 diagram of where the oil's going to go, every single  
23 alternative, all three or four, as they've defined them,  
24 would have the same impact. You can't be doing a good  
25 analysis if every alternative would have the same impact,

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1 the same risk of an oil spill.

2                               So go back to the drawing board, come up  
3 with something that's actually meaningful in terms of  
4 helping the public evaluate what the alternatives are.

5                               I am concerned about our nation's energy  
6 supply. I think the Minerals Management could look at  
7 the alternative of wind power as a meaningful alternative  
8 in this EIS. I think you should go back to the drawing  
9 board and provide the public with a much more realistic  
10 sense of what's really at stake and how all this  
11 industrialized activity might affect lower Cook Inlet.

12                              Thank you.

13                              HEARING OFFICER WALL: Thanks.

14                              MR. LIMA: Thanks.

15                              HEARING OFFICER WALL: The next one's  
16 Paul Joselyn.

17                              MR. JOSELYN: Yes, good afternoon. My  
18 name is Paul Joselyn. And I'm a biologist with the  
19 Alaska Wildlife Alliance, an organization primarily  
20 involved with the protection of Alaska's wildlife for the  
21 benefit and appreciation of its citizens.

22                              In 1995, the Minerals Management Service  
23 proposed to lease 1.98 million acres in lower Cook Inlet.  
24 There was overwhelming opposition at that time from local  
25 residents concerned about the impacts of offshore oil and

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1 gas development on what it would do to the local fishing,  
2 tourism and subsistence economies. Governor Tony  
3 Knowles, at that time, and one who we know is a supporter  
4 of oil development recommended to the Secretary of the  
5 Interior Bruce Babbitt, at that time, to cancel the sale  
6 stating, and I quote, we remain concerned about the sale,  
7 because of the unique resource values for potential spill  
8 risk and the overwhelming opposition to the sale from  
9 Alaskans who live in the affected area.

10                   The sale went through. But as you know,  
11 it was limited to just two thousand acres.

12                   Now, under a new administration in D.C.,  
13 MMS is back asking again, this time for even more, 2.5  
14 million acres, should you be allowed to succeed in this,  
15 the answer should still be no.

16                   For those of you who attended the  
17 meetings this week, the research meetings on Alaska's  
18 marine environment, you know, that the impact of the oil  
19 spill in Prince William Sound is still sending shock  
20 waves, it turns out, to the eco-system. Quite apart from  
21 the fact that the people that were affected have still  
22 not been compensated, it's in the courts for the actions  
23 that have occurred.

24                   Is it possible that an oil spill would  
25 occur as is indicated here? And certainly there's been

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1 an estimate of in the order of perhaps one chance in five  
2 of something like this happening. If it did, the Draft-  
3 EIS estimates somewhere like 22 percent to 37 percent  
4 loss to commercial fisheries and about a 20 percent loss  
5 in sportfishing. The fishing activity itself could  
6 conceivably be shut down for an entire year. The local  
7 subsistence practices of harvesting, sharing and  
8 processing would also be seriously affected, just like it  
9 was the last time and, which, after more than a decade  
10 the oil company responsible is still battling in the  
11 courts, as I've already indicated to restrict the amount  
12 that they get.

13 I represent the Alaska Wildlife Alliance.  
14 And we're very concerned about the wildlife species that  
15 would be affected. The Cook Inlet beluga, the harbor  
16 seals, the stellar sea lions, the sea otters, the  
17 stellars eider, old squaw and sirscuter\*, all have had  
18 their problems in Cook Inlet by way of declining numbers  
19 without now adding yet another factor. What has become  
20 the top brown bear viewing area in the world, which just  
21 a few days ago we learned was now up to roughly five  
22 million a year in what it does for the economy of this  
23 state could potentially also be affected. I saw this  
24 because bear viewing is entirely centered around the  
25 health of the salmon migrations that the bears depend

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1 upon which then the people come to see.

2                   Are there problems already? A recent EPA  
3 stuffy of Cook Inlet Native subsistence resources found a  
4 broad array of oil type contaminants in fish and  
5 shellfish. You can imagine the levels that would be  
6 likely to occur if these leases were to go ahead.

7                   Cook Inlet boats some of the most extreme  
8 tides in the world. It's a difficult environment out  
9 there and then when you that you're surrounded by this  
10 land, is it worth risking what we now have in a way of an  
11 estimate of a one week worth's supply of oil for the U.S.  
12 in terms of its production? Or should we be more  
13 cautious about this, push that further out. Look to the  
14 things that have already been mentioned, alternative  
15 forms of energy, reduce our impact on the Greenhouse  
16 Effect, look to reducing the ability of the automobile to  
17 be successful in the sense of you want it to be able to  
18 go a lot more miles per gallon than it presently does.  
19 We seem to be moving in the opposite direction.

20                   We strongly recommend at this time go  
21 ahead with the consideration for lease sales.

22                   Thank you.

23                   MR. LIMA: May I ask a question, sir?

24                   MR. JOSELYN: Yes.

25                   MR. LIMA: You mentioned McNeil, the

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1 McNeil Bear reserve is generating five million dollars  
2 for the local economy?

3 MR. JOSELYN : No. The earlier speaker  
4 spoke to the McNeil River.

5 MR. LIMA: Right.

6 MR. JOSELYN: Bear viewing as a whole is  
7 exploding.....

8 MR. LIMA: Yes.

9 MR. JOSELYN: .....around this whole  
10 area.

11 MR. LIMA: Right. You had mentioned a  
12 recent report in the last few days.

13 MR. JOSELYN: Yes.

14 MR. LIMA: I was wondering if you know  
15 specifically where that was because I would like to get a  
16 hold of that for the EIS.

17 MR. JOSELYN: Yes. Well, let me see what  
18 I can do in that regard.....

19 MR. LIMA: Okay, thank you.

20 MR. JOSELYN: .....for you. I'll be glad  
21 to do that. It was at a bear viewing meeting and this is  
22 the bear-viewing folks who are now pulling those figures  
23 together.

24 MR. LIMA: Good.

25 MR. JOSELYN: Okay.

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1                   MR. LIMA: I would like a copy of that  
2 and if you would, I'll give you my business card.....

3                   MR. JOSELYN: Oh, thank you.

4                   MR. LIMA: .....and you can call me  
5 directly.

6                   HEARING OFFICER WALL: Do we have others  
7 that want to speak because I don't have anybody else  
8 that's checked on the list here? Nobody else wants to  
9 testify?

10                  MR. LIMA: Okay. Then at this point I  
11 would suggest that we go off the record and we will go  
12 back on the record if and when someone comes forward  
13 wishing to testify.

14                   (Off record)

15                   (On record)

16                  MR. LIMA: Ladies and gentlemen, we're  
17 back on the record.

18                  HEARING OFFICER WALL: Aggie, and it's  
19 Blackmire?

20                  MS. BLACKMIRE: Yes. Can I just point on  
21 the map here?

22                  MR. LIMA: Sure.

23                  MS. BLACKMIRE: I have some property here  
24 in Peterson Bay here in this general direction. I'm a  
25 property owner in Peterson Bay and many years ago there

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1 were oil platforms in Peterson Bay, they staged them  
2 there and I didn't like it then, I wouldn't like it to  
3 happen now. This is all new to me, I'm not used to  
4 public speaking, but I would just like to say that the  
5 industry in the past has demonstrated time and again,  
6 that once the oil hits the water they've had a difficult  
7 time and they can't effectively clean it up. So I think  
8 the only way to prevent oil spills is to move beyond the  
9 fossil fuel economy. Let's just look in different  
10 directions.

11 Thank you.

12 HEARING OFFICER WALL: Next we have  
13 Pamela Miller.

14 MS. MILLER: My voice may give out at any  
15 time so please bear with me. My name is Pamela K.  
16 Miller. And I'm a biologist and director of Alaska  
17 Community Action on Toxics. We're a statewide  
18 organization that works for environmental health and  
19 justice and we work with communities around the state who  
20 have been affected by contamination, whether from  
21 industry or military activities.

22 Years ago when Lease Sale 149 was under  
23 consideration we prepared many pages of testimony in  
24 opposition to Lease Sale 149. And I wanted to resurrect  
25 those comments today because unfortunately seeing the



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1 size of this current lease sale, it seems that Minerals  
2 Management Service has not learned very many lessons. At  
3 that time there was very strong public opposition from  
4 tribes, from fishermen, from people living around Cook  
5 Inlet and it's distressing to have to come here today  
6 after all of that deliberation, after all of that time,  
7 after all of that testimony to see that you're offering a  
8 lease sale of the size that you are again after Lease  
9 Sale 149 was at least very greatly restricted in response  
10 to the public opposition and also, I think good  
11 scientific justification. There are higher and better  
12 uses for Cook Inlet, many of them have been mentioned  
13 thus far.

14                   The National Wildlife Refuges and  
15 National Parks, I think testify to the values that the  
16 people of this country have for Cook Inlet, the  
17 traditional subsistence uses that have been severely  
18 damaged already by oil impacts from the Exxon Valdez Oil  
19 Spill and commercial fishing as well as recreation and  
20 tourism. Oil and gas development is in direct conflict  
21 with these higher and better uses.

22                   The other thing I wanted to mention  
23 concerning the Exxon Valdez Oil Spill, a lot of research  
24 as you may know has happened since the Exxon Valdez Oil  
25 Spill and I would want to make sure that the

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1 Environmental Impact Statement includes the research of  
2 Jeff Short and others at the NOAA laboratory at Auke Bay,  
3 which shows very serious sublethal effects, chronic  
4 effects of oil at levels 10 times lower than previous  
5 scientific studies have shown. This is a very serious  
6 consequence that has to be considered in the  
7 Environmental Impact Statement.

8                   And I would just say that it's really a  
9 shame that we're here today to talk about further fossil  
10 fuel development for Cook Inlet and I agree with others  
11 who have said previously, there are clean energy  
12 alternatives and those can be developed in Cook Inlet.  
13 We don't need to rely on further offshore oil and gas  
14 leasing and development that poses such a great risk to  
15 the sensitive environments to the people who live and  
16 work around Cook Inlet.

17                   And I would also say that the  
18 Environmental Impact Statement, again, we raised this  
19 issue with Lease Sale 149, the very serious issue of  
20 climate change. And we know now that the effects of  
21 climate change are quite severe and are particularly  
22 serious in northern environments are quite severe and are  
23 particularly serious in northern environments and the  
24 biggest contributor to that is continued reliance on  
25 fossil fuels and the burning of fossil fuels. There's

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1 something that I have learned and that is when you're in  
2 the hole don't dig yourself in deeper and continuing oil  
3 and gas leasing is certainly not appropriate given the  
4 very real threat of climate change now and in the future.

5 I would say again that it's very  
6 important to cancel this lease sale, look for clean safe  
7 energy alternatives and develop them in Cook Inlet and I  
8 think that should be a role that Minerals Management  
9 Service should take very seriously.

10 Thank you.

11 MR. LIMA: Is there anyone else?

12 HEARING OFFICER WALL: Anybody else? I  
13 guess we can go off the record.

14 MR. LIMA: We'll go off the record.

15 (Off record)

16 (On record)

17 HEARING OFFICER WALL: We're on the  
18 record, and we have Theresa Obermeyer.

19 MS. OBERMEYER: Yes, of course, and I'd  
20 like to spell my name, T-H-E-R-E-S-A, my middle maiden  
21 name is Nangle, N as in Nancy A-N-G-L-E, and my last name  
22 without a hyphen is Obermeyer, O-B as in Boy, E-R-M-E-Y-  
23 E-R. Now, is this correct right here the way this is?

24 HEARING OFFICER WALL: Yes.

25 MR. LIMA: Yes.

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1 MS. OBERMEYER: Okay, great. Because  
2 that doesn't really look like a microphone, but that's  
3 okay, whatever, it's all modern technology. I'm not  
4 really used to all that. But I was here really because  
5 I've come since the early '90s and it really does make me  
6 stop and think, I spelled my middle maiden name, and I've  
7 never been like Lisa Murkowski. I knew that I grew up  
8 and I got a good education. I didn't wait and I would  
9 never would wait for my family to put me in the U.S.  
10 Senate.

11 We are the biggest joke in the United  
12 States of America. What Frank and Lisa have done has  
13 never happened in the history of our great nation. I  
14 consider it not only a wake-up call but it created so  
15 much focus on this state and I do think that we are being  
16 talked about a great deal. I certainly hope so. I've  
17 tried for that for like 25 years.

18 See we have a web site and that is  
19 [www.tobermeyer.info](http://www.tobermeyer.info). I've already spelled my name. And  
20 of course, what we've tried to do for too many years now  
21 is simply be fair minded. Of course, when I go anywhere,  
22 I am better known than anyone in the state of Alaska.  
23 I'm nice. And I am a college administrator with a Ph.d.  
24 I have sued the University of Alaska, I'm very proud of  
25 that, and I do believe this, no one else will ever try

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1 unless I stay on course. Because of course, the judge's  
2 stole that one, too. They don't know how to be judges.

3                   Do you know, and I don't know whether  
4 you've thought of these things, we live in the only state  
5 in the United States that does not have a law school.  
6 And so that is why the things that could have happened to  
7 our family of six could have been possible. I have  
8 finally written now and I'd like to label my comments  
9 Alaska Incorporated. I don't really live in a state. I  
10 live in a business owned by BP, Exxon and Conoco-  
11 Phillips. And I said to your colleague over here when I  
12 came in, you know, I want to always have a light heart,  
13 I'm Irish and I always like a joke but my question is are  
14 you giving away the store?

15                   I really am sympathetic to human  
16 psychology and I see all of you nice people and you have  
17 what I would label, well, you have worked for something,  
18 you have time and rank, and I regret to say you believe  
19 in yourselves. Try not to. Try to look at the big  
20 picture, because I know that whatever you think, it's all  
21 about this little book here.

22                   And, you know, that's the other thing. I  
23 don't want to say I want all of you to get a copy because  
24 I am sick of Flip Todd. I don't know whether you know  
25 Flip the way I do. See, my husband and I have had

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1 listings in this little book that cost more than the  
2 lawyer's pay for about seven years now. And I've asked,  
3 how much does it cost to be on the cover? Look at the  
4 cover of this, and I'll read it. And let me mention for  
5 the record, this is called the Alaska Directory of  
6 Attorneys. There really are two directories. There's  
7 one that the courts put out and there are two copies of  
8 it. One is for the lawyers and the other is for the  
9 court employees, they're pink and yellow and they're  
10 eight and a half by 11, and then there's this one, this  
11 is the real one. But this one has a lot of errors in it,  
12 too.

13 I consider you bright and well-educated  
14 people. You don't believe things unless you know they're  
15 true. Now, I mean I will assume a lot of this is true,  
16 but then I know a lot of it isn't. It's all a scam. See  
17 it's too long now. But of course it's also about this  
18 back and I've shown you people this book. It's now  
19 tattered and torn. This book has every lawyer and judge  
20 in our great nation's stock and trade, and this is called  
21 the American Law Reports Fourth, Volume 57, Page 1195 is  
22 the page that has caused everything that's happened to  
23 us. I'm not sure if you're aware of it. My husband's  
24 add is right here on Page 9 of this book but I've asked  
25 if we could be on the cover and I was told by the man

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1 that's on the inside cover, that his listing cost about  
2 as much as ours, and that really turned me off because  
3 the cover is Realtime Reporting, I mean I'm embarrassed.  
4 There's really no practice of law where I live.

5                   It's all ridiculous. It's a bunch of  
6 lawyers trading paper with each other. I'd like really  
7 mainly to refer to Page 110, and it's really very  
8 profound. Of course a little bit of this is on our web  
9 site but we could never be complete. What this is is  
10 really for mailing labels but it gives you the overview  
11 of what our Alaska Bar Association really is. We live in  
12 a place that we have more oil development than the state  
13 of Texas. We have, according to this list, and don't  
14 believe it completely but it probably is true because  
15 Flip wants to get his greenbacks and he's not going to  
16 manipulate something like this because then he won't be  
17 able to sell mailing labels. Look at why.

18                   But anyway, we have about 2269 in-state  
19 attorneys. And we have 459 that are active out-of-state.  
20 We have actually given our state away to the most  
21 powerful law firms in the United States. And those  
22 listings are in the back of this book. The names and  
23 addresses of the active out-of-state. Those are all  
24 lies. I don't know all about it. But of course, we know  
25 our neighbor hasn't been licensed, my husband, over a 19

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1 year period and do we know a law license is a livelihood.  
2 This has all been an effort to bankrupt us. You know, I  
3 was suing the University when my husband went to law  
4 school. And so after this book came out I lost my case  
5 against the University and I had to write a check for  
6 \$17,161, that was in 1986.

7                   But if you'd allow me, just to let you  
8 know, we have 574 government attorneys and of that number  
9 we have 447 that work for the state of Alaska. And I'm  
10 worried that they're pretty much like you people, they  
11 make tremendous -- I do believe they make more than you.  
12 But I don't know how much you make. I think you make  
13 really high salaries. That is my opinion, always correct  
14 me. Send me your salaries. I'm mentioning I'd like  
15 them, you're public employees. Give me your salaries.  
16 But I don't assume I always get what I want. So I'm just  
17 going to tell you that I know you have a 25 percent cost  
18 of living, and you make really high salaries. I think  
19 these lawyers make more than you. I think they make an  
20 average of about 100,000. They get trips everywhere.  
21 They do high level coffee drinking. And help them. I'd  
22 like you to. I don't -- I don't want to say I dislike  
23 them or I have anything against them. I understand why  
24 they do what they do. They all are raising families,  
25 they have bills to pay, and they just got somewhere and



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1 they went along with something and so they're there. But  
2 I don't know whether they, themselves have ever looked at  
3 this.

4 See, I've been forced to understand all  
5 this because of the way I've been treated. I could never  
6 have imagined. I assumed that -- I, first of all, came  
7 from a very influential family. I am a judge's daughter  
8 from St. Louis, Missouri. I have five siblings that are  
9 attorneys. I believe in that flag over there and I know  
10 you do, too. And let's make things go better.

11 Let's understand.

12 I really know that we're all being torn  
13 under and it's all Alaska Incorporated. We have been so  
14 ripped off.

15 I mean I'll just mention a couple of  
16 things about courts. First of all, we have the Exxon  
17 Valdez. Exxon hasn't even bothered to even consider  
18 paying, and that was in 1989. And the other one that  
19 really worries me is Alaska Airlines, and the fact that  
20 they killed 88 people. Then they got to expand all over  
21 the United States. How is this possible?

22 Now, see even my family, we fly Alaska  
23 Airlines because it's convenient. And I've just been  
24 checking airline travel, and I assume you people fly a  
25 lot too, the new thing is that you cannot change a

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1 roundtrip ticket in any way once you've paid for it.  
2 Now, before you leave on your departure, you may change  
3 it and that's like \$150 but if you want to change your  
4 return you lose your whole ticket. Alaska Airlines is  
5 the only airlines that doesn't have to do that. How do  
6 these things happen? I don't understand it. But I'm  
7 telling you we all need to work together because we all  
8 need to fly. Where we live especially airline  
9 transportation means so much.

10                   And then shall we go on to our  
11 Congressional Delegation briefly and what time is it,  
12 because I know you want to go to dinner and I have to  
13 mail something for my daughter, is it until 6:30, I  
14 thought so, and I won't take much more of your time.

15                   Do we know that our friend, Don, is the  
16 Chairman of the U.S. House Transportation Committee, I  
17 think he still is. His new thing is he wants to start  
18 Susitna again. You know, it's all buzz words. It's all  
19 a black hole of Federal money. I don't know what you  
20 think but I know this. And so figure it out, and ask him  
21 what in the world they're doing.

22                   And then shall we go on to Frank, Ted,  
23 Frank and Lisa, ho, ho, ho. I assume you know that Ted  
24 became the President of the U.S. Senate. Now, gentlemen,  
25 and I think there is at least one lady in the room, how

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1 could this have happened? You see, again, I study human  
2 psychology and I see a man -- well, see, of course, my  
3 husband's case and I don't know whether you have known  
4 this for a long time, goes right to Ted Steven's license  
5 and so my husband and I are in extricably linked to Ted  
6 Stevens in terms of American law, I don't know whether  
7 you know he has a Pacific Reporter case. I don't know  
8 whether you know these things, and you see in the first  
9 sentence of his case, when he sued the Bar Association  
10 just like my husband it shows that he was admitted to  
11 practice law in Alaska by reciprocity when he wasn't  
12 licensed in another state. Now the rhetorical question  
13 is if you applied for a license of any kind and you are  
14 not licensed in the other state, what is that? I don't  
15 know whether you want to answer because I'm testifying.  
16 If anyone would like to I'll give them five bucks. That  
17 is really a prosecutable offense. That is criminal  
18 fraud. And I know that Ted Stevens is a fraud. He has  
19 been since 1960.

20 But then you know my husband's case, like  
21 Ted's, was first published in the Pacific Reporter and  
22 then my husband's case became the lead case of all the  
23 case law reporters in the United States. I'm not sure if  
24 you gentlemen know all this. I'd like you to understand  
25 it because you see we have to learn it. We live in the

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1 only state in the United States that doesn't have a law  
2 school. And even I, when all this first happened, I  
3 said, well, that's not my affair, let the lawyer's deal  
4 with it, if you ask these lawyers, they'll pretend like  
5 none of this exists. They're not honorable people I  
6 regret to say. What I am absolutely positive, all they  
7 want is their money. I don't know -- and on another  
8 level, that is their work, is to make money. That is not  
9 my work, I'm an educator. And so I know we have to start  
10 a law school very soon now. It's getting scary with Ted,  
11 Frank, Lisa, Ben and I don't even know who else.

12 But to make a long story short, how did  
13 Ted Stevens get to be President of the U.S. Senate, I  
14 don't know. I can say this, I think 98 other nice  
15 people, and we have mailed this document to all those 98  
16 people, and so what do they do, they get their buddy,  
17 like Dominici, he gets his buddy Schmidt to fly up here  
18 about space travel and all this jazz, and I mean it's  
19 getting -- it's so ridiculous. Do you notice or do you  
20 just see what's going on around you? I don't know. Do  
21 you know that Schmidt just came to the Commonwealth North  
22 on Tuesday. He is a previous U.S. Senator that I think  
23 was with Serenan and the Apollo program, and, you know,  
24 so let me ask you -- is it Mr. Lima?

25 MR. LIMA: Lima.

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1 MS. OBERMEYER: Mr. Lima, you see, I'm  
2 trying to think of the gentleman's name, John, he was one  
3 of the first speakers after Frank was sworn in, Goll, G-  
4 O-L-L, and I'd like to say that I understand what he was  
5 doing, he spoke to the Alliance, I just think there has  
6 to be a limit. Tell them to stop. Would you kindly ask  
7 him to retire. I do believe he can get another job. I  
8 don't think he has to do all this. Again, I don't  
9 believe he's in the room tonight. I have seen him for  
10 many years, he was the first speaker in the beginning of  
11 December at the Alliance. They're using you, do you know  
12 this? I don't know about you but I don't want to be  
13 used. I want to be what I am. I want to be a thinking  
14 person. I don't even want to say I'd like to be  
15 appointed to the U.S. Senate. I don't want to get  
16 anything in my life I didn't get fairly and I hope you  
17 gentlemen are the same way.

18 So what's going on with you, did you have  
19 a question?

20 MR. LIMA: No.

21 MS. OBERMEYER: Well, then why are  
22 you.....

23 MR. LIMA: No, I need to point out we did  
24 have a 15.....

25 HEARING OFFICER WALL: I didn't tell you

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1 we had a 15 minute limit.

2 MS. OBERMEYER: And let me ask you, are  
3 these the books you're using?

4 MR. LIMA: That is the Draft  
5 Environmental Impact Statement, yes.

6 MS. OBERMEYER: And that's why we're  
7 having the public hearing?

8 MR. LIMA: Yes, ma'am.

9 MS. OBERMEYER: Okay. I would take one  
10 of those. See I've done this for years, and, you know,  
11 I've come to the meetings when you've had the oil  
12 industry here from the Alaska Oil and Gas Association and  
13 your entire meeting is focused on being lap dogs to those  
14 people and I'm going to use that term.

15 So I'm going to conclude now. Gentlemen,  
16 it's time for something real in Alaska. I hope you will  
17 read what I've handed you. I know on January 21st the  
18 State Legislature open, why don't they license my husband  
19 as their first act? You know, it should be over for us.  
20 It's time for someone else to learn and help. And I  
21 don't know what to say anymore. You know, then on the  
22 23rd and 24th of January, the Board of Governors meets  
23 right at the Atwood Building on the 29th floor. Come to  
24 the meeting. I don't believe you will because then you  
25 might lose your gravy train, and it's okay. I don't want

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1 anyone to be hurt, but you know I'm right. It is funny.

2 And I'm glad you laugh.

3 And of course, the last thing I always  
4 have is a great joke and I love my summary joke, they're  
5 so dumb they released me.

6 MR. LIMA: Thank you very much.

7 MS. OBERMEYER: So if anybody has any  
8 questions, we're right over here on Dartmouth. I hope  
9 you'll look at what the Catholic Church has been doing,  
10 it's all scary. But, you know, I hope I didn't keep you  
11 gentlemen from your dinner hour.

12 HEARING OFFICER WALL: Nope.

13 MR. LIMA: Not at all.

14 MS. OBERMEYER: And I just hope that --  
15 you know, you really will come at the knees. I just  
16 think they're -- see you know better how badly they've  
17 ripped us all off, I don't know the details. I only know  
18 they have ripped us off so terribly. It's scary and we  
19 have all been torn us under. We're the Americans and  
20 especially that group right over there, they're visitors  
21 in our nation. They should be bowing and scraping to us,  
22 instead it's the other way around.

23 So thank you.

24 HEARING OFFICER WALL: We'll be off

25 record then.

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(END OF PROCEEDINGS)



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1 C E R T I F I C A T E

2 UNITED STATES OF AMERICA)  
3 )ss.  
4 STATE OF ALASKA )

5 I, Joseph P. Kolasinski, Notary Public in and for  
6 the state of Alaska, and reporter for Computer Matrix  
7 Court Reporters, LLC, do hereby certify:

8 THAT the foregoing Mineral Management Service  
9 Hearing was electronically recorded by Salena Hile on the  
10 16th day of January 2003, at Anchorage, Alaska;

11 That this hearing was recorded electronically and  
12 thereafter transcribed under my direction and reduced to  
13 print;

14 That the foregoing is a full, complete, and true  
15 record of said testimony.

16 I further certify that I am not a relative, nor  
17 employee, nor attorney, nor of counsel of any of the  
18 parties to the foregoing matter, nor in any way  
19 interested in the outcome of the matter therein named.

20 IN WITNESS WHEREOF, I have hereunto set my hand and  
21 affixed my seal this 17th day of February 2003.

22  
23 \_\_\_\_\_  
24 Joseph P. Kolasinski  
25 Notary Public in and for Alaska  
My Commission Expires: 4/17/04 \_